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Diane Elhakim
Logistics Manager

Degussa Corporation
PO Box 677
379 Interpace Pkwy
Parsippany, NJ 07054-0677
Direct   973-541-8076
Fax   973-541-8070
Email: diane.elhakim@degussa.com
Web site: www.degussa.com

August 31, 2006

Secretary Vernon A. Williams
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

RE: EX PARTE No. 661–RAILROAD FUEL SURCHARGES: Comments on STB decision

Dear Secretary Williams:

My name is Diane Elhakim, and I am the Logistics Manager for Degussa Corporation, headquartered in Parsippany New Jersey. Last May 11, I participated in the hearing on Rail Fuel Surcharges, Ex Parte No. 661. I presented verbal testimony as well as filing a written statement expressing my views and those of Degussa Corporation with respect to the method by which the railroads assess fuel surcharges.

I would like to commend the Surface Transportation Board for its decision with regard to the railroad fuel surcharge, the method and application. The four points of the STB proposal demonstrate that there is no question that it is an unreasonable and unfair practice.

One of the key statements in the STB decision is in the railroads' argument that they are not over-recovering on their fuel. Their claims that their fuel surcharge programs are fair and equitable are preposterous and illogical. However, their argument that they are "easy to administer" is completely accurate. Without actual calculation (based on shipment merits) and relevant indices (based on a scale more recent than 2002), a surcharge calculated as a simple percentage of the rate is indeed easy to administer, albeit flawed and unfair.

I strongly support the STB in its findings, and encourage a speedy resolution to such a frustrating and costly situation. It is in the best interest of the shipping public and the United States commerce arena as a whole.

Respectfully yours,

Diane Elhakim
Degussa Corporation Logistics Manager